

DECLARATION OF WILLIAM T. DRESCHER

I, WILLIAM T. DRESCHER, declare and say:

1. I am a member of the Bar of the State of California and a partner of Wyman, Bautzer, Kuchel & Silbert, counsel of record for various parties in an action pending in the Superior Court of the State of California for the County of Riverside denominated Church of Scientology Mission of Riverside, et al. v. Corydon, et al., and assigned Case Number 154129 (the "Riverside Action"). I make this declaration on my personal knowledge, and if called upon as a witness, I could and would testify competently to the following facts.

2. On the morning of December 23, 1988, I received a telephone call from Federico C. Sayre, counsel of record for Bent Corydon ("Corydon") in both the instant proceeding and in the Riverside action. In that telephone call, Mr. Sayre informed me of this Court's December 22, 1988 Order (of which I was unaware) and proposed to me that the Corydon litigation could be settled with an agreement that Corydon and his counsel would refrain from obtaining the documents at issue herein, or if obtained, not to disseminate them, in exchange for a payment of \$3,000,000 to Corydon. Mr. Sayre said that he would memorialize the substance of that telephone call in a letter.

3. I was confident that my clients would have no interest in such a proposal, so I did not probe for details. It was, however, unclear to me what Corydon litigation Mr. Sayre had in mind inasmuch as my clients and Corydon are engaged in litigation in the Riverside action, an action pending in the

District of Columbia, coordinated defamation proceedings in Los Angeles County, and in a separate action in Los Angeles Superior Court, denominated Corydon v. Church of Scientology International, Inc., et al., and assigned Case Number C694401.

4. I contacted my clients immediately after receiving Mr. Sayre's December 23rd call, and was instructed to reject any such proposal out of hand irrespective of the details. I communicated that rejection to Mr. Sayre by telephone that same day.

5. Late in the afternoon of December 23, 1988, I received by messenger from Mr. Sayre a letter, a true and correct copy of which is annexed hereto as Exhibit 1. In that letter, Mr. Sayre identified the case that was the subject of his proposal as the Riverside action, and only that case. Mr. Sayre's office has already filed a motion to dismiss the Riverside action (including his client's cross-claims) under the so-called five-year rule, C.C.P. §§ 583.310, 583.360, and the hearing on that motion is calendared for January 5, 1988.

I declare under penalty of perjury that the foregoing is true and correct and that this Declaration is executed at Los Angeles, California on December 27, 1988.



William T. Drescher

LAW OFFICES
SAYRE, MORENO, PURCELL & BOUCHER
A PARTNERSHIP INCLUDING A PROFESSIONAL CORPORATION

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December 23, 1988

William Drescher
Wyman, Bautzer, Kuchel & Silbert
2049 Century Park East
14th Floor
Los Angeles, California 90067

Re: Church of Scientology, et. al. v. Bent Corydon, et al.

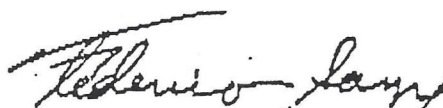
Dear Bill:

This will memorialize our conversation of December 23, 1988. Please be advised that my client is willing to settle the case of the Church of Scientology, et al., vs. Bent Corydon, et al., for \$3,000,000.00. This settlement will include our refraining from exercising our right to obtain the "Armstrong documents", or if we have obtained these documents prior to your client responding to this demand, we will agree to return the documents to your client and refrain from showing them to anyone else.

This demand will remain open until close of business December 30, 1988. At that point, if not accepted, this demand will be revoked and will not again be reinstituted at this level.

Very truly yours,

SAYRE, MORENO, PURCELL & BOUCHER


FEDERICO C. SAYRE

FCS: MV
8-C Drescher.Sci

FEB 28 1985

ORIGINAL FILED

FEB 25 1985

COUNTY CLERK

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

11	CHURCH OF SCIENTOLOGY OF CALIFORNIA,)	No. C 420153
12)	
13	Plaintiff,)	ORDER
14)	
15	v.)	
16)	
17	GERALD ARMSTRONG,)	
18)	
19	Defendant.)	
20	_____)	
21	MARY SUE HUBBARD,)	
22)	
23	Intervenor.)	
24	_____)	

19 This matter came on for hearing in Department 57 of the
20 California Superior Court for the County of Los Angeles on
21 February 11, 1985, upon the motion of the United States for an
22 order permitting it to inspect and copy certain exhibits, filed
23 under seal in this action. Upon consideration of the arguments
24 of the plaintiff, intervenor, and the United States, it is this
25 25th day of February, 1985, hereby

26 ORDERED that the following exhibits shall be made available
27 to the United States for inspection and copying for the reasons
28 ///

1 given at the February 11, 1985, hearing and subject to the
2 conditions set forth below:

3 Exhibit No. (500 Ser.)

4 QQQQ

5 KKKKK

6 LLLLL

7 OOOOO

8 PPPPP

9 QQQQQ

10 The United States must inspect and copy the foregoing exhibits
11 according to the following conditions:

12 1. The Clerk will permit the United States, through the
13 United States Department of Justice, its designated governmental
14 representative, or personnel retained by the Department of
15 Justice to assist in processing the exhibits for the defense of
16 the Washington, D.C. action, to inspect and copy the foregoing
17 exhibits;

18 2. The United States may use the foregoing exhibits solely
19 for the purpose of preparing the defense of, and defending the
20 action Founding Church of Scientology of Washington, D.C., Inc.,
21 et al. v. Director, Federal Bureau of Investigation, et al.,
22 Civil Action No. 78-0107 (D.D.C.) (the "Washington, D.C.
23 Action");

24 3. The foregoing exhibits or copies thereof shall not be
25 disclosed to the public without prior court approval, provided,
26 however, that:

27 (a) The United States may offer these exhibits as
28 sealed exhibits in the course of litigation and the exhibits may

1 be used as sealed exhibits at depositions (and shown to
2 deponents), filed under seal as attachments to pleadings, and be
3 used at trial, in the Washington, D.C. Action;

4 (b) The United States may disclose these exhibits to
5 personnel retained by it to assist in processing the exhibits for
6 the defense of the Washington, D.C. Action, who shall be and *ARE (P.C.B.)*
7 subject to the terms of this order; and,

8 (c) The United States District Court in the
9 Washington, D.C. Action may make such further orders regarding
10 these exhibits as appropriate including, in particular, an order
11 unsealing these exhibits.

12 It is hereby

13 FURTHER ORDERED that the motion of the United States to
14 inspect and copy sealed exhibits (500 Series) DDD, EEEE, FFFF,
15 GGGG, HHHH, IIII, CCCCC, GGGGG, IIIII, BBBB, and OOOOO is
16 DENIED for the reasons given at the February 11, 1985, hearing.

17 It is hereby

18 FURTHER ORDERED that, pursuant to the stipulation of the
19 United States, the copies of the Declaration of Laurel Sullivan
20 (dated August 20, 1984), the Declaration of Gerald Armstrong
21 (dated September 6, 1984), and the Declaration of Gerald
22 Armstrong (dated December 31, 1984), which were filed with this
23 Court by the United States shall be kept under seal by the Clerk
24 and shall not be available to the public except upon further

25 ///

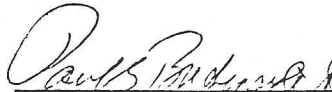
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28 ///

1 order of this court. This order does not affect other copies of
2 these declarations or other declarations by these individuals.

3 Dated: FEB. 25, 1985
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6 PAUL G. BRECKENRIDGE, JR.
7 Judge of the Superior Court
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